

Service Date: May 24, 1991

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

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IN THE MATTER Of The Application	)	UTILITY DIVISION
of MONTANA-DAKOTA UTILITIES CO. for	)	
Approval of Revision To Balancing	)	DOCKET NO. 91.3.20
Provisions of Transportation Rates	)	
81, 82, and 84.	)	ORDER NO. 5557
_____	)	

INTERIM ORDER

BACKGROUND

1. In Docket No. 88.8.23 MDU's balancing policies were examined. At that time, balancing was included in General Term and Condition No. 9 of the Transportation Rates 81, 82 and 84 tariff. In Order 5490a, the Commission granted MDU's proposals regarding the balancing issues but on the condition that the Company include an examination of this issue in a Cost of Service Study to be filed before January 1, 1992.

MDU'S CURRENT FILING

2. On March 22, 1991, MDU filed to revise balancing provisions that are now set forth under General Term and Condition No. 7 of the Transportation Rates 81, 82, 84 tariff. The filing was given Docket No. 91.3.20.

3. First, MDU is proposing, in this filing, to allow customers two months to correct for a monthly billing imbalance. The reason for allowing two months is because MDU's transportation customers have been expressing frustration at the inability to correct for imbalances within the one month time period. This inability results because MDU does not have the billing information until the 8th or 9th day of the month following the billing month. Thus the transportation customers really have only half a month to correct for any imbalance by the time they get the billing statement.

4. Second, the Company proposes to include a provision

allowing the Company to waive penalties associated with Company adjustments that need to be made due to operating conditions. The Commission approved such a provision for a 90 day period in June 1990. The Company would like to include the provision in the tariff to address this recurring situation.

5. Third, the Company proposes to include language saying that the Company shall retain all amounts of gas over 50 Mcf at 14.73 psia when a negative imbalance over 10% occurs on a customer's account.

6. Finally, the Company re-words parts of the paragraph in order to facilitate better customer understanding of penalties and requirements of the balancing provision, particularly, that any penalty for an uncorrected imbalance will be in addition to the applicable transportation rate.

#### DECISION

1. As the Commission expects MDU to file a Cost of Service Study that will address related balancing issues, the Commission grants approval of the current filing on an interim basis.

#### ORDER

NOW THEREFORE THE MONTANA PUBLIC SERVICE COMMISSION ORDERS THAT,

1. The Application of Montana Dakota Utilities Co. in Docket No. 91.3.20 is approved on an interim basis. The Company shall include a complete examination of all matters presented in this docket in a Cost of Service Study to be filed prior to January 1, 1992.

DONE IN OPEN SESSION at Helena, Montana, this 2nd day of May, 1991 by a 4 - 0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

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HOWARD L. ELLIS, Chairman

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DANNY OBERG, Vice Chairman

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WALLACE W. "WALLY" MERCER, Commissioner

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BOB ANDERSON, Commissioner

ATTEST:

Ann Peck  
Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within 10 days. See 38.2.4806, ARM.